Interim report Nordax Group AB (publ)

JANUARY-MARCH 2016

Published April 28, 2016

1st QUARTER 2016

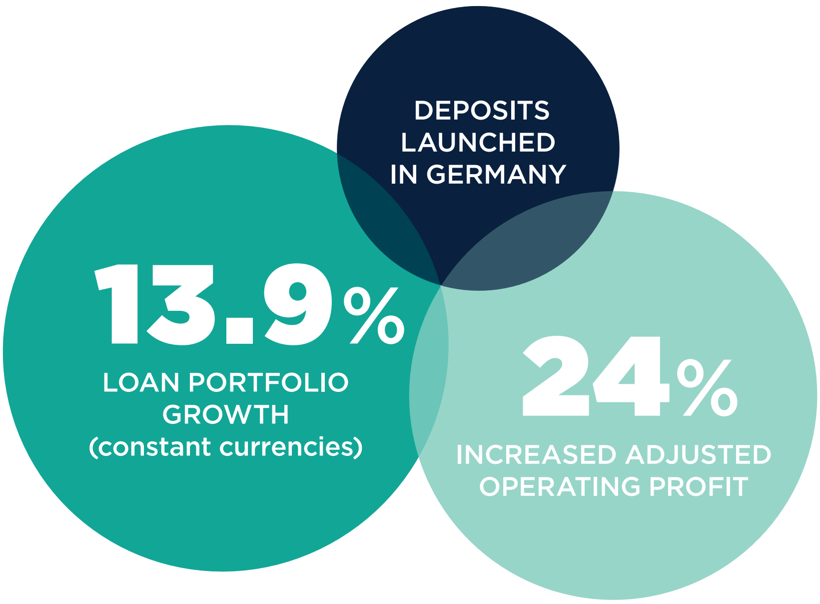
Numbers compared with 1st quarter 2015

- Loan portfolio increased by 13.9% in constant currencies
- Net interest margin increased to 9.3% (8.4%)
- Total operating income amounted to 280 MSEK (218). Adjusted[1] total operating income amounted to 261 MSEK (219)
- Adjusted[1] cost to income ratio improved to 28.6% (28.8%)
- Operating profit amounted to 119 MSEK (74). Adjusted[1] operating profit increased by 24% to 99 MSEK (80)
- Earnings per share were 0.84 (0.53) SEK. Adjusted[1] earnings per share were 0.70 SEK (0.57)

1st QUARTER 2016

Numbers compared with 4th quarter 2015

- Loan portfolio increased by 3.4% (14% annualized) in constant currencies
- Net interest margin was 9.3% (9.4%)
- Total operating income amounted to 280 MSEK (228). Adjusted[1] total operating income amounted to 261 MSEK (254)
- Adjusted[1] cost to income ratio amounted to 28.6% (28.5%)
- Operating profit amounted to 119 MSEK (80). Adjusted[1] operating profit amounted to 99 MSEK (109)
- Earnings per share were 0.84 (0.57) SEK. Adjusted[1] earnings per share were 0.70 SEK (0.76)



[1] The adjusted numbers are presented in order to show the underlying performance of the business reflecting constant currencies and excluding non-recurring items primarily related to the IPO 2015. A bridge between statutory and adjusted accounts can be found on page 36.

Continued good volume and profit development

The good momentum from the second half of 2015 continued in the first quarter of 2016 with high growth in all four core markets. New lending was 1.1 billion SEK which is the second best quarter ever and almost at the same high level as in previous quarter.

Compared to the same period last year our adjusted operating profit has grown by approximately 24% and our lending book has grown by 14% in constant currencies. Improved net interest margin and the growth of the lending portfolios have been the drivers behind the increase in profits. Compared to the first quarter last year the net interest margin improved to 9.3% from 8.4%. The increase has been driven mainly by lower funding costs and strong margins on new lending.

“The lending portfolios in Sweden, Norway and Germany grew by double-digits in annualised terms”

The lending portfolios in Sweden, Norway and Germany grew by double-digits in annualised terms. New lending in Norway was record high and the total portfolio in Norway had a annualized growth pace in the quarter of 19 percent, excluding FX. Despite slower growth in Finland this quarter, the portfolio has grown by 17 percent compared to the same period last year.

Germany is our newest and fastest growing market and annualized growth in the quarter in constant currencies was 31 percent. The first quarter continues to demonstrate the possibilities we see in Germany. In the quarter, the net interest margin amounted to 9.1%. Our marketing model and underwriting process have proved to work efficiently in Germany although we are still evaluating the process for recoveries. One sign of our commitment to Germany was that we at the end of the quarter launched deposits in Germany, and we now offer deposits in all our four home markets. The launch supports our diversified funding strategy where we have the ambition to match currencies of assets and liabilities and it will be interesting to monitor the flows going forward.

Our advanced marketing models and thorough underwriting form the basis for our sound credit quality across the markets. The net credit loss level, which usually is seasonally higher in Q1, was 1.6% which is an improvement compared to the same period last year. Credit quality is key to us and an essential part of our business model. Compared to last quarter, the net level was decreased in Norway and increased in Sweden. We continue to monitor the Norwegian economy carefully and stay in close dialogue with our customers who experience problems.

The strengthened NOK and EUR impacted our financial performance positively in the first quarter. The currency fluctuations impacted the operating profit as well as our total portfolio measured in SEK.

During the first quarter, we issued a 3-year senior unsecured bond of 500 MSEK replacing a maturing bond. The transaction was done at favorable terms and further strengthened our diversified funding base.

Our underlying performance confirms the strength of our business model and our customer offering. Nordax’s strengths are our focus on large consumer loans to financially stable individuals, many effective marketing channels, diversified funding, the sound credit underwriting and robust net interest margins. The prerequisite for us to continue to increase lending volumes is that we get the margin and credit quality that we require to continue to build a business model that is sustainable over time. Our aim is to continue to create good returns over a long-period of time and to be able to have a robust business model in all kinds of macro environment.

We will continue to further develop our marketing modeling and enhance internal efficiency by simplifying and digitalizing processes. We also focus on improving customer service and customer utility to keep as well as attract new customers. We act from a position of strength and I believe in our vision to become a leading Northern European niche bank in offering deposits and providing consumer loans to financially stable people.

Morten Falch
CEO

Nordax at a glance

Nordax is a leading niche bank in the Nordic region providing personal loans and deposit accounts to more than 100,000 customers in Sweden, Norway, Finland, Denmark and Germany. Nordax employs about 200 people, all working in its office in Stockholm. Nordax was founded by six entrepreneurs with extensive risk management experience. The underwriting process is Nordax's core competency; it is thorough, sound and data driven. Nordax's customers are financially stable individuals.

The typical customer is 49 years old and has an income above the national average. As of March 31, 2016 lending to the general public amounted to SEK 11.3 billion and deposits amounted to SEK 6.1 billion. Nordax has been supervised by the Swedish Financial Supervisory Authority since 2004 and deposits are covered by the Swedish deposit guarantee scheme. Read more on www.nordaxgroup.com. For more information about Nordax's customer offerings, read more on each country's web site: www.nordax.se, www.nordax.no, www.nordax.fi and www.nordax.de.

Key figures

KEY FIGURES	Q1 2016	Q4 2015	Q1 2015	FY 2015
Income statement				
Total operating income, MSEK	280	228	218	888
Adjusted total operating income, MSEK	261	254	219	943
Operating profit, MSEK	119	80	74	250
Adjusted operating profit, MSEK	99	109	80	392
Net interest margin, %	9.3	9.4	8.4	8.9
Profit before credit losses, MSEK	164	115	119	407
Net profit, MSEK	93	63	58	195
Earnings per share, SEK	0.84	0.57	0.53	1.76
Adjusted earnings per share, SEK	0.70	0.76	0.57	2.76
Balance sheet				
Lending to the general public, MSEK	11,325	10,841	10,312	10,841
Deposits, MSEK	6,120	6,001	6,524	6,001
New lending volumes, MSEK	1,122	1,194	921	4,070
KPI				
Common Equity Tier 1 capital ratio %	13.0	12.6	12.6	12.6
Total capital ratio %	15.0	14.6	14.6	14.6
Return on equity %	20.9	14.8	14.8	11.9
Net credit loss level (cost of risk) %	1.6	1.3	1.8	1.5
Net credit loss level %, 12m roll	1.5	1.5	1.3	1.5
Cost to income ratio %	41.4	49.6	45.4	54.2
Adjusted cost to income ratio %, 12m roll	28.6	28.5	28.8	28.5
Adjusted return on tangible equity %	22.9	23.2	25.7	23.2
Adjusted return on avarage net loans %, 12m roll	3.8	3.8	3.9	3.8
Exchange rates				
NOK Income statement (average)	0.98		1.07	1.05
NOK Balance sheet (at end of period)	0.98		1.07	0.96
EUR Income statement (average)	9.32		9.38	9.36
EUR Balance sheet (at end of period)	9.23		9.29	9.14

Contents

First quarter 2016 compared to first quarter 2015

The report includes statutory accounts as well as certain numbers that have been adjusted in order to show the underlying performance of the business excluding FX-effects and non-recurring items primarily related to the IPO 2015. Please refer to page 35 for definitions and page 36 for a bridge between statutory and adjusted accounts.

Adjusted operating profit increased 24% to 99 MSEK (80), mainly due to improved net interest income.

Total net interest income increased by 22% to 259 MSEK (213). The main contributor was higher lending volumes but also improved margins as new lending are originated with higher margins than in the current portfolio. All four core markets improved their net interest income. The net interest margin increased by 0.9 percentage points to 9.3% compared to last year.

Net profit from financial transactions amounted to 17 MSEK (0), mainly as a result of the strengthened NOK and EUR. Nordax has open positions in currencies in order to protect its capital adequacy ratio which has a corresponding impact on net profit from financial transactions.

Total operating income increased by 28% to 280 MSEK (218), mainly driven by the larger lending portfolio and higher net interest margin.

The adjusted cost/income ratio (12-month rolling) was improved to 28.6% (28.8%).

General administrative expenses grew by 22% to 73 MSEK (60). The increase was driven by increased business volumes, hiring of staff and investments in the business in conjunction to the listing of the company last year and increased regulatory expenses.

Over longer term the focus is on improving the adjusted cost/income ratio.

Other operating expenses, where marketing cost represents the major part, increased by 21% to 41 MSEK (34) as an effect of increased marketing activities. The marketing efficiency, measured as marketing costs related to new lending, was continuously high.

The quarterly credit loss level was lower than same period last year at 1.6% (1.8%). Compared to the same period last year the net credit loss levels were lower in Sweden and Finland and higher in Norway and Germany.

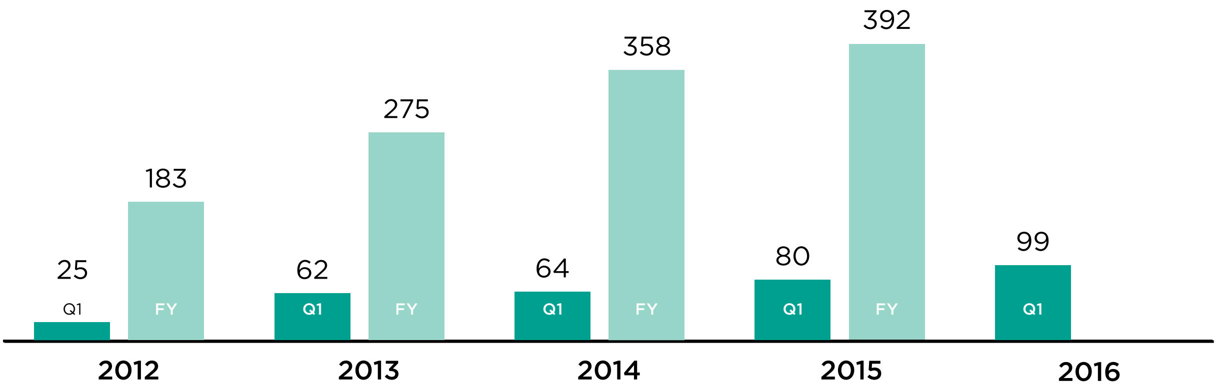
Tax was 26 MSEK (16). The effective tax rate was 22% (22%).

Net profit increased to 93 MSEK (58) where the largest improvement comes from higher net interest income.

Adjusted return on tangible equity (12-month rolling) was 22.9% (25.7%). The lower return is due to a larger capital base. Average return on average net loans (12-month rolling) amounted to 3.8% (3.9%).

Adjusted earnings per share increased by 23% to 0.70 SEK (0.57).

ADJUSTED OPERATING PROFIT 2012-2016, MSEK



First quarter 2016 compared to fourth quarter 2015

Adjusted operating profit decreased by 9% to 99 MSEK (109) mainly as an effect of seasonally higher credit losses and higher marketing costs in the first quarter.

Total net interest income increased by 3% to 259 MSEK (251). The improvement is mainly an effect of the growth in the lending portfolio. The net interest margin in the quarter was 9.3% (9.4%). Net interest income increased in Sweden and Norway and was stable in Germany and Finland. During the first quarter, reduced funding costs were transferred to customers in Sweden.

Net profit from financial transactions amounted to 17 MSEK (-27) due to the stronger NOK and EUR. Nordax has open positions in currencies in order to protect its capital adequacy ratio which has a corresponding impact on net profit from financial transactions.

Total operating income increased by 23% to 280 MSEK (228) mainly driven by FX-effects and a larger lending portfolio.

The adjusted cost/income ratio (12-month rolling) amounted to 28.6% (28.5%).

General administrative expenses increased slightly to 73 MSEK (71) and the growth pace have slowed down compared to previous periods.

Other operating expenses increased by 14% to 41 MSEK (36) as an effect of increased marketing activities. The market efficiency was strong although somewhat lower than in the fourth quarter.

The net credit loss level was 1.6% (1.3%) reflecting normal seasonality. Net credit losses are normally higher in the first quarter and lower in the fourth quarter. The net credit loss level decreased in Norway while it increased in Sweden where the loss level was exceptional low in the fourth quarter. Credit risk performance was kept well below the long-term target of 2% through the cycle.

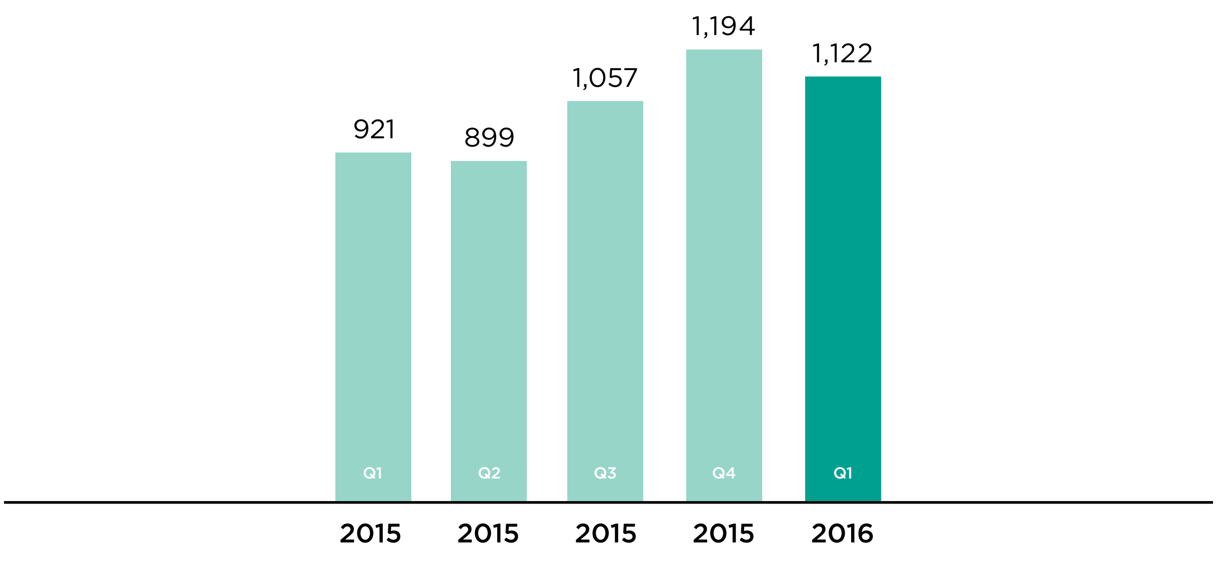
Tax in the period was 26 MSEK (17). The effective tax rate was 22% (21%).

Net profit increased to 93 MSEK (63) in the quarter and adjusted operating profit decreased by 9 percent due to seasonally higher credit losses and higher marketing costs.

Adjusted return on tangible equity (12-month rolling) was 22.9% (23.2%). Average return on average net loans (12m rolling) amounted to 3.8% (3.8%).

Adjusted earnings per share decreased by 9% to 0.70 SEK (0.76).

NEW LENDING Q1 2015- Q1 2016, MSEK



Lending volumes

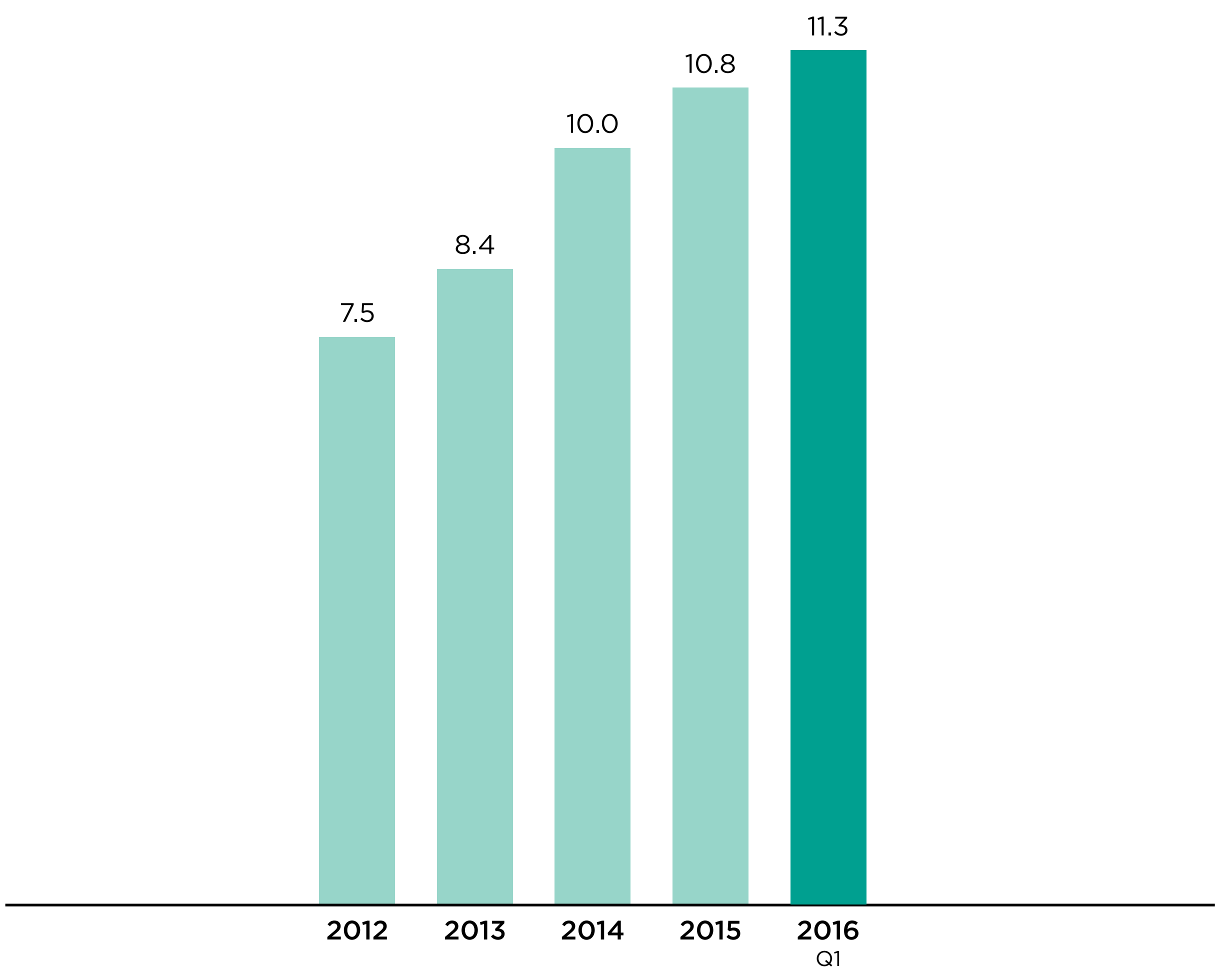
New lending in the quarter was 1,122 MSEK compared to 921 MSEK in Q1 2015. The first quarter 2016 was the second best quarter ever and close to the record level in Q4 2015 (1,194).

Compared to the same period last year the loan portfolio grew by 9.8% or 1,013 MSEK to 11,325 MSEK (10,312). In constant currencies the growth was 13.9%.

In the first quarter, the loan portfolio grew by 4.5% or 484 MSEK compared to the previous quarter. In constant currencies, the loan portfolio grew by 3.4% which represents an annualized growth rate of 13.5%. The growth in the loan portfolio is impacted by new lending, write offs and early redemptions.

	Q1 vs Q4	Y/Y	2015
Portfolio growth, MSEK	484	1 013	799
of which FX effects, MSEK	118	-422	-477
Growth excluding FX effects, %	3.4	13.9	12.7

LENDING PORTFOLIO DEVELOPMENT 2012- 2016 Q1 IN BILLION SEK



Funding

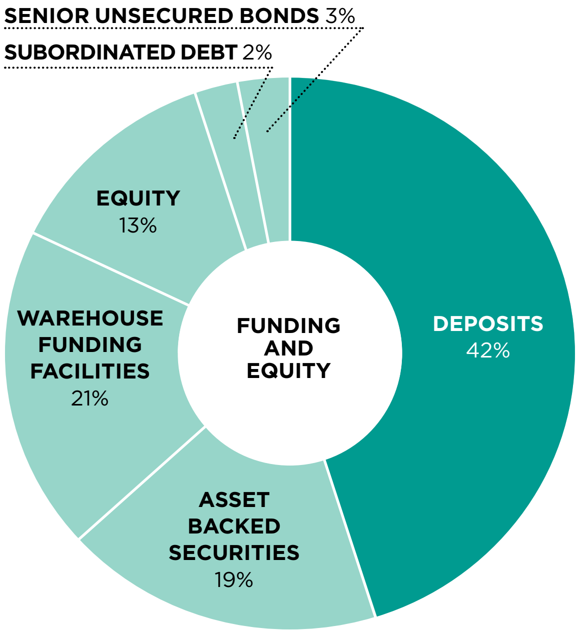
To have a diversified funding structure and not be reliant on one single funding source, is a fundamental cornerstone in the business model for Nordax. Nordax has a funding mix of asset backed securities, senior unsecured bonds, warehouse funding facilities provided by international banks and deposits. At the end of the quarter Nordax launched two term deposits in Germany which means that Nordax now offers attractive deposit products with competitive interest rates to its customers in all four core markets and in three different currencies, SEK, NOK and EUR.

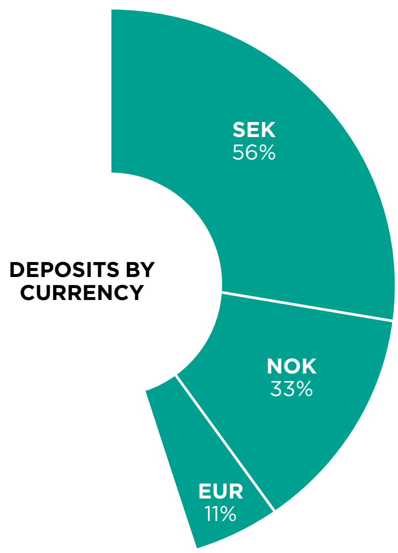
In March, Nordax issued 500 MSEK of senior unsecured bonds replacing a senior unsecured bond that matured. The transaction reduced Nordax's funding costs.

At the end of the quarter, the nominal amounts of funding were: 2,785 MSEK (2,763) in asset backed securities, 500 MSEK (453) in senior unsecured bonds, 3,058 MSEK (2,891) in warehouse funding facilities provided by international banks and 6,118 MSEK (5,991) in deposits from the public.

Nordax had a liquidity reserve at 31 March 2016 of MSEK 2,444 (2,552). Of these investments, 55 (55) per cent was in Nordic banks, 17 (16) per cent in Swedish covered bonds and 28 (29) per cent in Swedish municipal papers. All investments had credit ratings ranging from AAA to A+ from Standard & Poor's, with an average rating of AA. The average maturity was 51 (48) days. All bank holdings are accessible and all securities are repo-able with central banks.

Lending to credit institutions, which equals cash at bank, was stable during the quarter at 1,828 MSEK (1,810) of which 605 MSEK (597) was pledged cash holdings for the funding structure and the rest was cash liquidity. Total assets as of March 31, 2016 amounted to 14,610 MSEK (14,162).





Capital

As of March 31, the total capital ratio was 15.0% (14.6%). Common Equity Tier 1 capital ratio was 13.0% (12.6%). Nordax regularly review the methods used to determine the capital requirement and during the quarter the method used for calculating operational risk was shifted from the basic indicator approach to the standardized approach which led to a lower risk exposure amount. Nordax total Common Equity Tier 1 Capital requirement including pillar II buffer is estimated at 8.5%. This is constituted by Common Equity Tier 1 Minimum Requirement of 4.5%, Capital Conservation Buffer of 2.5%, 0.7% for the Countercyclical Capital Buffer and 0.8% for Pillar II buffers. The countercyclical buffer is calculated as a weighted average of the required level for each country's portfolio. The capital requirement is expected to increase by 0.4% in the second quarter as the level for countercyclical buffers are increased in Norway and Sweden.

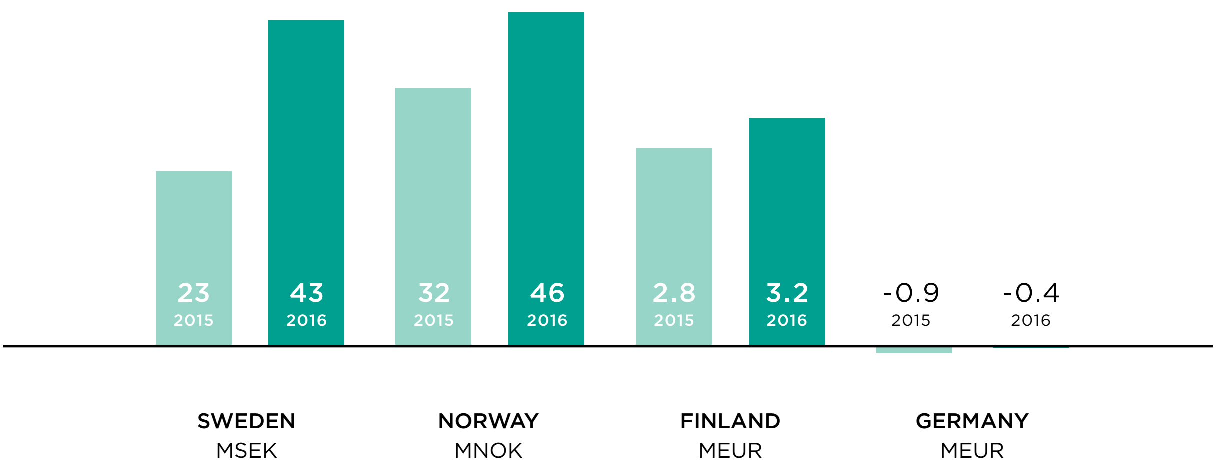
RISK EXPOSURE AND CAPITAL RATIOS ACCORDING TO BASEL III	**31 MAR** 2016	**31 DEC** 2015
Risk exposure amount, MSEK	10,947	10,834
Total Common Equity Tier 1 capital, MSEK	1,428	1,369
Common Equity Tier 1 capital ratio %	13.0	12.6
Tier 1 capital ratio %	13.0	12.6
Total capital ratio %	15.0	14.6
Leverage ratio %	10.0	9.9
Liquidity Coverage Ratio %	628	676
Net stable funding ratio %	129	127

Market segment overview Q1[1]

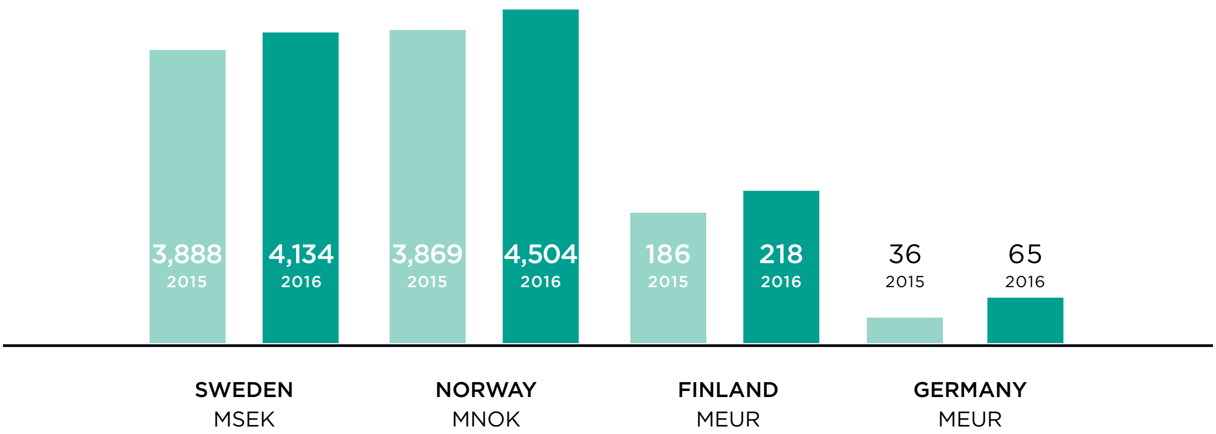
BY COUNTRY	SWEDEN Q1	NORWAY Q1	FINLAND Q1	GERMANY Q1	TOTAL[2] Q1
Total net interest income. MSEK	89	102	53	13	259
Net interest margin %	8.7	9.6	10.7	9.1	9.3
Net credit losses. MSEK	-13	-20	-6	-6	-45
Net credit loss level (cost of risk) %	1.3	1.9	1.2	4.2	1.6
Operating profit. MSEK	43	45	30	-4	119
Lending. end of period. MSEK	4,134	4,414	2,011	597	11,325
New lending volume. MSEK	404	481	153	84	1,122
Deposits. MSEK	3,448	1,997	675	-	6,120

[1] During the first quarter the cost allocation model has been refined and the basis for allocation is now updated quarterly instead of yearly
[2] Includes Denmark

OPERATING PROFIT Q1 IN MILLION LOCAL CURRENCY



LENDING PORTFOLIO END OF FIRST QUARTER 2016 IN MILLION LOCAL CURRENCY



Sweden

SWEDEN	Q1 2016	Q4 2015	Q1 2015	%	FY 2015
Total net interest income, MSEK	89	85	72	23.3	312
Net interest margin %	8.7	8.5	7.4		7.9
Net credit losses, MSEK	-13	-1	-18	-27.8	-40
Net credit loss level (cost of risk) %	1.3	0.1	1.9		1.0
Operating profit, MSEK	43	36	23	90.3	110
Lending, end of period, MSEK	4,134	4,025	3,888	6.3	4,025
New lending volumes, MSEK	404	430	286	41.3	1,280

	Q1 vs Q4	YoY	2015
Portfolio growth, MSEK	109	246	145
Growth, %	2.7	6.3	3.7

Sweden continued to have good momentum during the quarter. New lending was 404 MSEK in the quarter compared to 430 MSEK in the previous quarter. The loan portfolio amounted to 4,134 MSEK which is an increase of 6.3% compared to the same period last year and 2.7% (or 10.8% if annualized) compared to the previous quarter.

The net interest margin amounted to 8.7% (7.4% in Q1 2015 and 8.5% in Q4 2015), the improvement has been driven by higher margins on new lending. Nordax transfered its reduced funding costs to its Swedish customers in the first quarter of 2016, and intends to do another reduction in the second quarter as part of its structural interest margin hedge.

Net credit losses decreased to 1.3% (1.9%) in the first quarter 2016 but was up compared to last quarter when the loss level was exceptionally low at 0.1%. Credit losses are seasonally higher in the first quarter.

Compared to the same period last year the operating profit increased by 20 MSEK to 43 MSEK (23), mainly due to better net interest income driven by larger volumes and improved margins and also lower credit losses. Operating profit was also improved compared to fourth quarter mainly driven by refinement of the cost allocation model.

Norway

NORWAY	Q1 2016	Q4 2015	Q1 2015	%	FY 2015
Total net interest income, MSEK	102	96	87	17.8	374
Net interest margin %	9.6	9.4	8.6		9.3
Net credit losses, MSEK	-20	-24	-16	25.0	-70
Net credit loss level (cost of risk) %	1.9	2.3	1.6		1.7
Operating profit, MSEK	45	20	34	32.1	144
Lending, end of period, MSEK	4,414	4,125	4,140	6.6	4,125
New lending volumes, MSEK	481	459	416	15.6	1,720
New lending volumes MNOK	489	467	385	27.0	1,663

	Q1 vs Q4	YoY	2015
Portfolio growth, MSEK	289	274	191
of which FX effects, MSEK	90	-405	-387
Growth excluding FX effects, %	4.8	16.4	14.7

New lending was record-high at 481 MSEK in the first quarter compared to 459 MSEK in the previous quarter. The loan portfolio amounted to 4,414 MSEK which is an increase of 274 MSEK or 16.4% compared to last year in constant currency. Compared to the previous quarter the loan portfolio increased by 289 MSEK.

Excluding currency impact the loan portfolio grew by 4.8%, 19.2 percent if annualised.

The net interest margin increased, compared to the first quarter of 2015, to 9.6% (8.6%) reflecting higher net interest margins on new loans. Compared to last quarter the net interest margin increased somewhat to 9.6% (9.4%).

Net credit loss level increased to 1.9% (1.6%) compared to the same period last year but was lower than in the last quarter where net credit losses amounted to 2.3% and we saw a spike in delinquencies. We continue to carefully monitor the Norwegian economy.

Operating profit increased to 45 MSEK (34) mainly due to higher net interest income derived from the larger portfolio and improved margins. The improvement of operating profit compared to last quarter is mainly related to FX-effects but also from improved net interest income.

Finland

FINLAND	Q1 2016	Q4 2015	Q1 2015	%	FY 2015
Total net interest income, MSEK	53	55	46	16.0	199
Net interest margin %	10.7	11.3	10.7		10.9
Net credit losses, MSEK	-6	-4	-7	-14.3	-27
Net credit loss level (cost of risk) %	1.2	0.8	1.6		1.5
Operating profit, MSEK	30	28	26	16.2	106
Lending, end of period, MSEK	2,011	1,964	1.725	16.6	1,964
New lending volumes, MSEK	153	189	154	-0.6	702
New lending volumes, MEUR	17	20	16	6.3	75

	Q1 vs Q4	YoY	2015
Portfolio growth, MSEK	47	286	276
of which FX effects, MSEK	20	-13	-82
Growth excluding FX effects, %	1.4	17.3	21.2

Finland continued to grow but at a somewhat slower pace. New lending was 153 MSEK compared to 189 MSEK in previous quarter. The loan portfolio amounted to 2,011 MSEK which is an increase of 286 MSEK or 17% compared to the same period last year in constant currency. Compared to the previous quarter the loan portfolio increased by 47 MSEK. Excluding currency impact the loan portfolio grew by 1.4% in the quarter, or 5.5% if annualized. Tougher competition from new entrants had a negative effect on the growth of the portfolio in the quarter.

The net interest margin continued to be stable at a high level at 10.7% (10.7%). Compared to the last quarter, the net interest margin decreased to 10.7% from 11.3%.

Net credit losses decreased to 1.2% (1.6%) compared to the same period last year but increased compared to the fourth quarter of 2015.

Operating profit increased by 16%, in comparison to last year, to 30 MSEK (26). The largest positive contributor was the growing size of the portfolio which increased net interest income. Operating profit also improved compared to the fourth quarter mostly due to positive currency impact.

Germany

GERMANY	Q1 2016	Q4 2015	Q1 2015	%	FY 2015
Total net interest income, MSEK	13	12	6	126.7	32
Net interest margin %	9.1	9.2	7.3		7.6
Net credit losses, MSEK	-6	-4	-2	200.0	-15
Net credit loss level (cost of risk) %	4.2	3.1	2.5		3.6
Operating profit, MSEK	-4	-5	-9	-53.3	-33
Lending, end of period, MSEK	597	548	335	78.4	548
New lending volumes, MSEK	84	116	65	29.2	368
New lending volumes, MEUR	9	13	7	28.6	39

	Q1 vs Q4	YoY	2015
Portfolio growth, MSEK	49	262	254
of which FX effects, MSEK	6	-4	-16
Growth excluding FX effects, %	7.9	79.4	91.9

New lending was 84 MSEK in the first quarter. The loan portfolio amounted to 597 MSEK which is an increase of 262 MSEK or 79.4% compared to end of March 2015 in constant currency. Compared to the fourth quarter 2015 the loan portfolio increased by 49 MSEK. Excluding currency impact the loan portfolio grew by 7.9% in the quarter, or 31.4% if annualized.

The net interest margin increased to 9.1% (7.3%) compared to the first quarter 2015. In the first quarter, the net interest margin decreased slightly from 9.2% to 9.1%.

Nordax started operations in 2012 in Germany and is still building expertise and fine-tuning its business model in this market. The German market provides future potential for growth for Nordax. New lending has developed in a stable and controlled way. In the second half of last year there were some early positive signs when it comes to recoveries of written off loans which are an important element in the business model. The net credit loss level amounted to 4.2% (2.5%) during the first quarter. In the fourth quarter 2015 the net credit loss level was 3.1%. Provisioning is conservative and the high reserve levels are expected to decrease when recovery patterns have been established on these loans. In Germany, the provision rate for loans which are more than 180 days due is 90% compared to 63% for Nordax's total portfolio.

Operating profit improved to -4 MSEK (-9) for the first quarter but is still negative which is reflecting the fact that Germany is still in an investment phase. The operating loss is a result of fast growth, marketing costs of 8 MSEK and the above mentioned provisioning related to credit losses.

Other information

SIMPLIFIED GROUP STRUCTURE

In order to reduce administration and costs Nordax intends to merge the two wholly-owned holding companies Nordax Group Holding AB and Nordax Holding AB with Nordax Bank AB (publ) during the year. The holding companys do not conduct any operation except owning and manage shares in subsidiary companies. Preparations for the merger have started. The merger will be subject to approval from SFSA.

EMPLOYEES

The number of full-time employees was 214 (212) on March 31, 2016.

EVENTS AFTER 31ST OF MARCH

NOTICE TO THE ANNUAL GENERAL MEETING

On the 6th of April the notice to the Annual General Meeting was published. The Annual General Shareholders' Meeting 2016 will take place on Wednesday May 11, 2016, at 5.30pm in Bryggarsalen, Norrtullsgatan 12N, Stockholm.

Among the proposals is the Board of Director´s proposals regarding long-term incentive plan (MIP 2016) and proposal to resolve on acquisition and transfer of own shares to enable the company to satisfy obligations as a result of allocations of shares to employees within the scope of the long-term incentive plans.

The nomination committee proposes to re-elect Arne Bernroth as Chairman of the Board of Directors. The committee also proposes to re-elect Christian Beck, Katarina Bonde, Morten Falch, Hans Larsson, Andrew Rich and Synnöve Trygg and a new election of Jenny Rosberg to the Board of Directors. Daryl Cohen and Richard Pym have declined re-election

The Board of Directors and CEO have proposed to the annual general meeting a dividend of 0.50 SEK per share amounting to a total of approximately 55,5 MSEK. This represents 44% of net profit in the second half of 2015 which is in line with Nordax's dividend policy. The proposed record day for the dividend is Friday 13 May 2016. Euroclear expects to distribute the dividend to the shareholders on Wednesday 18 May 2016 given the annual general meeting's decision.

For information regarding the Annual General Meeting, including full notice, proposed agenda, registration and other documentation please see https://www.nordaxgroup.com/en under the heading Corporate Governance/Shareholders meeting.

FINANCIAL TARGETS

- Maintaining a sustainable return on average net loans through the cycle on a 12-month rolling basis of above 3%.
- Dividend target of maintaining a pay-out ratio of approximately 40% of profit after tax for the year. The dividend target is based on current regulatory capital requirements, and any future changes regarding regulatory capital requirements could affect Nordax's dividend target.
- Capital target of maintaining a CET 1 capital ratio above 12% and a total capital ratio above 14% under current capital requirements. Nordax targets maintaining a buffer of at least 1.5 percentage points above its CET 1 capital ratio and total capital ratio requirements.

RISKS AND UNCERTAINTIES

The Group is exposed to both credit risk and to other financial risks such as market risk (including currency risk, interest-rate risk at fair value, interest-rate risk in cash flow and price risk) and liquidity risk. The Group is also exposed to IT and operational risks. The Group's overall risk and capital policy details the risk framework as well as risk management roles and responsibilities for the Group. The Group's risk profile as well as related risk, liquidity and capital management is described in Nordax Group Annual Report for 2015 and Risk Management and Capital Adequacy Report.

INTERNAL CONTROL

The Group has established independent functions for risk control and compliance in accordance with the Swedish Financial Supervisory Authority's Regulations and General Guidelines regarding governance, risk management and control at credit institutions (FFFS 2014:1) as well as the European Banking Authority's guidelines on internal control (GL 44). These functions report directly to the Board of Directors and CEO. The evaluation of the organisation as regards, among other things, the internal control, is carried out with the assistance of the internal audit function, which is outsourced to Mazars SET. It has not been deemed cost effective to internally establish an internal auditing organisation, based on the size and the complexity of the Group. Furthermore, allowing an external actor to conduct the internal audit provides the Group with the opportunity to benefit from their expertise knowledge in various areas regarding potential alternative solutions within areas important to the operations.

ACCOUNTING PRINCIPLES

This quarterly report has been prepared according to IAS 34, Interim Financial Reporting. The consolidated accounts for the Nordax Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, together with the Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559), the Swedish Financial Accounting Standards Council's recommendation RFR 1, Supplementary Accounting Regulations for Groups as well as the Swedish Financial Supervisory Authority's regulations and guidelines FFFS 2008:25. The Parent Company's report has been prepared in accordance with the Annual Accounts Act (1995:1554) and the Swedish Financial Accounting Standards Council's recommendation RFR 2, Accounting for legal entities. In all material aspects, the Group's and the Parent Company's accounting policies, basis for calculations and presentations are unchanged in comparison with the 2015 Annual Report.

Board of Directors' affirmation

The Board of Directors declares that the interim report for January – March 2016 provides a fair overview of the Parent Company's and the Group's operations, their financial positions and results and describe material risks and uncertainties facing the Parent Company and the Group.

Stockholm April 28, 2016

Arne Bernroth Chairman	**Christian A. Beck** Non-Executive Director	**Katarina Bonde** Non-Executive Director
Daryl Cohen Non-Executive Director	**Morten Falch** CEO, Executive Director	**Hans Larsson** Non-Executive Director
Richard Pym Non-Executive Director	**Andrew Rich** Non-Executive Director	**Synnöve Trygg** Non-Executive Director

Report of Review of Interim Financial Information

INTRODUCTION

We have reviewed the interim financial information (interim report) of Nordax Group AB (corporate identity number 556993-2485) as of 31 March 2016 and the three-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Security Companies for the Group, and for the parent company in accordance with the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity.

A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Security Companies for the Group, and for the parent company in accordance with the Swedish Annual Accounts Act.

Stockholm April 28, 2016
Öhrlings PricewaterhouseCoopers

Helena Kaiser de Carolis
Authorized Public Accountant

Contact

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Conference call

Media, analysts and investors are welcome to take part in a conference call on April 28 at 9.00am CET. CEO Morten Falch and CFO Camilla Wirth will present the results. After the presentation there will be a Q&A session.

Call-in numbers:
Sweden: +46 8 566 426 65
UK: +44 203 008 98 13
US: +1 855 753 22 36

Link to audiocast:
https://cloud.magneetto.com/wonderland/2016_0428_Nordax_Q1_Report/view

You can also follow the presentation on
https://www.nordaxgroup.com/en/investors/financial-reports/presentations/

Financial calendar 2016

May 11, 5.30pm CET	Annual General Shareholders' Meeting, Bryggarsalen, Norrtullsgatan 12N, Stockholm
July 15, 7.30am CET	Interim report January-June
Oct 26, 7.30am CET	Interim report January-September

More information: www.nordaxgroup.com

For more information about Nordax's customer offerings, read more on each country's web site: www.nordax.se, www.nordax.no, www.nordax.fi, and www.nordax.de.

Nordax Group AB (publ) announces this information in accordance with the Securities Market Act and/or the Act on Trading in Financial Instruments and/or the Nasdaq Stockholm Rule Book. This information was submitted for announcement on April 28, 2016 at 7.30am CET.

Consolidated income statement

GROUP All amounts in MSEK	Note	JAN-MAR 2016	OCT-DEC 2015	JAN-MAR 2015	JAN-DEC 2015
Operating income					
Interest income	7	323	321	307	1,260
Interest expense	7	-64	-70	-94	-333
Total net interest income		**259**	**251**	**213**	**927**
Commission income	7	4	4	5	16
Net profit from financial transactions	7	17	-27	0	-55
Other operating income	7	0	0	0	0
Total operating income		**280**	**228**	**218**	**888**
Operating expenses					
General administrative expenses	7	-73	-71	-60	-261
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	7	-6	-6	-5	-21
Other operating expenses	7	-41	-36	-34	-124
Non-recurring items	7, 8	4	-	-	-75
Total operating expenses		**-116**	**-113**	**-99**	**-481**
Profit before credit losses		**164**	**115**	**119**	**407**
Net credit losses	2,7	-45	-35	-45	-157
Operating profit		**119**	**80**	**74**	**250**
Tax on profit for the period		-26	-17	-16	-55
NET PROFIT FOR THE PERIOD/ COMPREHENSIVE INCOME		**93**	**63**	**58**	**195**
Attributable to:					
The Parent Company's shareholders		93	63	58	195
Non-controlling interest		0	0	0	0
Earnings per share, SEK		0.84	0.57	0.53	1.76
Diluted earnings per share, SEK		0.84	0.57	0.53	1.76
Average number of shares		110,945,598	110,945,598	110,945,598	110,945,598

Consolidated statement of financial position

GROUP All amounts in MSEK	Note	**31 MARCH** 2016	**31 DECEMBER** 2015
ASSETS			
Lending to credit institutions	5,6	1,828	1,810
Lending to the general public	2,4,5,6,7	11,325	10,841
Bonds and other fixed income securities	5,6	1,097	1,157
Property, plant and equipment		8	8
Intangible assets		316	320
Current tax receivables		-	-
Other assets		22	9
Prepaid expenses and accrued income		14	17
Total assets		**14,610**	**14,162**
LIABILITIES, PROVISIONS AND EQUITY			
Liabilities			
Liabilities to credit institutions	5,6	3,050	2,880
Deposits from the public	5,6	6,120	6,001
Issued securities	5,6	3,257	3,187
Current tax liability		7	10
Deferred tax liability		9	9
Other liabilities		15	24
Accrued expenses and deferred income		80	72
Subordinated liabilities	5,6	246	246
Total liabilities		**12,784**	**12,429**
Equity			
Share capital		111	111
Other contributed capital		736	736
Retained earnings, incl. net profit for the year		979	886
Total equity		**1,826**	**1,733**
TOTAL LIABILITIES, PROVISIONS AND EQUITY		**14,610**	**14,162**
Memorandum items			
Pledged assets for own liabilities	9	10,003	9,787
Contingent liabilities		None	None

Statement of cash flows

GROUP All amounts in MSEK	**JAN-MAR** 2016	**JAN-MAR** 2015	**JAN-DEC** 2015
Operating activities			
Operating profit	119	74	250
Adjustment for non-cash items:			
FX effect	61	27	-277
Tax paid	-29	-30	-81
Depreciation, amortisation & impairment of tangible & intangible assets	6	5	21
Deprecation set up expenses	9	8	21
Change in operating assets and liabilities			
Decrease/Increase in lending to the public	-484	-270	-799
Decrease/Increase in other assets	-9	9	2
Decrease/Increase in deposits from the public	119	45	-478
Decrease/Increase in other liabilities	-2	-10	7
Cash flow from operating activities	**-210**	**-142**	**-1,334**
Investing activities			
Purchase of equipment	-3	-8	-26
Investment in bonds and other interest-bearing securities	-685	-900	-3,403
Maturity of bonds and other interest-bearing securities	745	905	3,830
Cash flow from investing activities	**57**	**-3**	**401**
Financing activities			
Decrease/Increase debt to credit institutions	150	240	3,136
Amortization debt to credit institutions	-9	0	-2,395
Issue of subordinated debts	0	0	244
Call of subordinated debts	0	246	-194
Issued bonds	500	0	1,079
Amortization issued bonds	-469	-223	-1,339
Cash flow from financing activities	**172**	**263**	**531**
Cash flow for the period	**18**	**118**	**-402**
Cash and cash equivalents at beginning of period	**1,810**	**2,212**	**2,212**
Cash and cash equivalents at end of period	**1,828**	**2,330**	**1,810**

Cash and cash equivalents are defined as treasury bills eligible for use as collateral and lending to credit institutions. Pledged cash and cash equivalents according to note 9 are available for Nordax in relation to monthly settlements of financial agreements and are as a consequence here of defined as cash and cash equivalents.

Statement of changes in equity

GROUP All amounts in MSEK	**Restricted equity** Share capital	**Non-restricted equity** Other contri-buted capital	Retained earnings	**Total**
OPENING BALANCE, 1 JANUARY 2015	**1**	**846**	**691**	**1,538**
Comprehensive income				
Net profit for the period			58	**58**
Total comprehensive income			**58**	**58**
CLOSING BALANCE, 31 MARCH 2015	**1**	**846**	**749**	**1,596**
OPENING BALANCE, 1 JANUARY 2015	**1**	**846**	**691**	**1,538**
Comprehensive income				
Net profit for the year			195	**195**
Total comprehensive income			**195**	**195**
Transactions with shareholders				
Group reorganisation (see note 1)	110	-110	-	**0**
Total transactions with shareholders	**110**	**-110**	**-**	**0**
CLOSING BALANCE, 31 DECEMBER 2015	**111**	**736**	**886**	**1,733**
OPENING BALANCE, 1 JANUARY 2016	**111**	**736**	**886**	**1,733**
Comprehensive income				
Net profit for the period			93	**93**
Total comprehensive income			**93**	**93**
CLOSING BALANCE, 31 MARCH 2016	**111**	**736**	**979**	**1,826**

Notes

Note 1 General information

Nordax Group AB (publ) (Corporate Identity Number 556993-2485), with its registered office in Stockholm, is the parent company of a group that includes the subsidiary Nordax Group Holding AB. In its turn, Nordax Group Holding AB owns companies whose business includes owning companies and managing shares in companies whose main operations consist of lending to private individuals in the Nordic region.

Information on the consolidated situation
The top company in the consolidated situation is Nordax Group AB (publ). The following companies are included in the consolidated financial statements for the group of financial companies in accordance with full IFRS and in the group-based financial statements for calculation of capital requirements: Nordax Group AB (publ), Nordax Group Holding AB, Nordax Holding AB, Nordax Bank AB (publ), Nordax Finans AS, PMO Sverige OY, Nordax Nordic AB (publ), Nordax Sverige AB, Nordax Sverige 3 AB (publ), Nordax Sverige 4 AB (publ), Nordax Nordic 2 AB and Nordax Nordic 3 AB (publ).

Nordax Group AB (publ) acquired as of May 11 2015, through a share exchange, Nelson Luxco Sarl which was the former ultimate parent company for the Nordax Group. The transaction was purely a share exchange under common control and is considered to be a pure reorganisation. Since this is a reorganisation under common control, and it was carried out through a share exchange Nordax Group AB (publ) cannot be considered the accounting acquirer. Accordingly, the consolidated financial statements prepared as a continuation of the previous Nordax Group.

Note 2 Credit risk

Financial risk factors
Through its operations, the Group is exposed to both credit risks and other financial risks, market risk (including currency risk, interest-rate risk at fair value, interest-rate risk in cash flow and price risk) and liquidity risk. The Group's overall risk management policy focuses on managing credit risks which have been taken intentionally and minimising the potentially adverse effects of unpredictability in the financial markets. The Group employs derivative instruments to hedge certain risk exposure.

Risk management is handled primarily by a credit department and a central Treasury department in accordance with policies determined by the Board of Directors. The Treasury department identifies, evaluates and hedges financial risks in close co-operation with the Group's operational units. The Board draws up written policies both for overall risk management and for specific areas, such as credit risk, foreign-currency risk, interest-rate risk, use of derivative and non-derivative financial instruments and investment of surplus liquidity. Risk management is supervised by the risk control function which reports to the Board of Directors in accordance with FFFS 2014:1.

(i) Credit risks in general
Lending activities are based on policies adopted by the Board of Directors. All loans are assessed in a separate, centrally located department in the Group.

As consumer loans are provided without physical collateral, credit assessment is an important element. To obtain a loan, the customer and submitted application documents must fulfil a number of policy rules such as minimum income, minimum age, maximum debt burden ratio, no bad debt etc. Decisions on loans are based on creditworthiness, which is determined using a model for calculating the probability that a borrower will be able to adhere to the concluded agreements ("credit scoring"). A customer's credit score determines, for instance, how much he or she will be able to borrow. In addition, the credit decision is based on an affordability calculation to ensure the customer has the ability to repay the loan. The affordability calculation considers the customer's income, cost of housing, cost of loans and living expenses. In cases where it is not possible to obtain income and debt information from credit reference agencies the customer is required to submit further information in addition to the application documents, such as a salary specification and tax return, to confirm his or her stated income and debts. This information is used to assess the customer's financial situation, for instance by calculating the customer's indebtedness and a "left to live on" amount.

Credit risks in other counterparty relationships, such as derivatives and financial investments, are regulated by a policy adopted by the Board of Directors. Collateral agreements are used to limit counterparty risks in derivative contracts.

(ii) Measurement of credit risk
The credit risk in the portfolio is measured against the specified targets on an ongoing basis. The measurements are based partly on how loans perform over time, how old the individual loans are ("vintage") and the maturity of the overall portfolio. Measurements are made depending on the risk that a loan will fall into arrears and whether it has been impaired.

Continuous measurements are also made on a segment basis. The applicable credit regulations and scoring models are followed up continuously to ensure the effectiveness of applied regulations and models. The results of these measurements are used as a basis for any adjustments to credit regulations and scoring models.

(iii) Risk management and risk control
The Group's continued operations depend on its ability to manage and control credit risk. Great emphasis is placed on establishing procedures to deal with this. Among other things, reporting takes place at least monthly to the management team and the Board of Directors. Credit risk reporting is also a standing agenda item at each Board meeting. The risk control and compliance unit performs regular checks to ensure that loans are issued in accordance with the instructions adopted by the Board. Under the instructions, any deviations must be reported to the Board. When the Group has received loans from external parties, these parties also perform regular and extensive credit risk assessments.

(iv) Principles for credit risk provisions
Principles for credit risk provisions are indicated in the annual report for Nordax Group AB for 2015, Note 2 and Note 4. When the value of a loan receivable has declined, the carrying amount is written down to the recoverable amount, which is defined as the estimated future cash flow discounted the effective interest rate of the loan receivable when fully performing. Management uses estimates based on historical credit losses for assets with the same credit risk and attributes as those in the loan portfolio. The methods and assumptions used to forecast future cash flows are reviewed regularly to reduce the difference between estimated and actual losses.

Provisions are calculated for loans with an individually identified loss event (individually identified loss event is understood to mean receivables due more than 180 days), and group provision for receivables measured as a group (due 1 – 180 days) is based on an established model. The criteria for determining whether a loss has occurred are delays in the payment of principal and interest.

GROUP All amounts in MSEK	**JAN-MAR** 2016	**OCT-DEC** 2015	**JAN-MAR** 2015	**JAN-DEC** 2015
Credit losses				
Write-offs for the period pertaining to actual credit losses	-9	-11	-5	-37
Gross value of new receivables during the period due more than 180 days	-118	-90	-93	-371
Payments received during the period pertaining to loans due more than 180 days	52	53	42	191
Adjustment to recoverable value pertaining to receivables due more than 180 days	34	30	20	88
Total provision for loans with individually identified loss event[1]	-32	-7	-31	-92
Group provision for receivables valued as a group[2]	-4	-17	-9	-28
Credit losses for the period	**-45**	**-35**	**-45**	**-157**

[1] Loans with individually identified loss event refers to loans that are more than 180 days past due.
[2] Receivables valued as a group refers to loans between one and 180 days past due.

Note 3 Lending to the general public

GROUP

31 March 2016	Sweden	Norway	Denmark	Finland	Germany	TOTAL	Allocation of provision past due receivables	
Not yet payable	3,785	4,032	140	1,737	582	10,276		
30 days past due	49	105	4	81	11	250	-26	10%
60 days past due	15	41	2	33	5	96	-22	23%
90 days past due	17	25	4	13	4	63	-23	37%
120-150 days past due	31	34	1	20	3	89	-45	51%
More than 180 days past due	608	553	297	310	18	1,786	-1,119	63%
Total past due	**721**	**758**	**308**	**456**	**40**	**2,284**	**-1,235**	**54%**
Total	**4,506**	**4,791**	**448**	**2,193**	**622**	**12,560**		
Provision[1]	-372	-378	-279	-182	-25	-1,235		
Total lending to the general public	**4,134**	**4,414**	**169**	**2,011**	**597**	**11,325**		

GROUP

31 December 2015	Sweden	Norway	Denmark	Finland	Germany	TOTAL	Allocation of provision past due receivables	
Not yet payable	3,690	3,772	150	1,699	537	9,848		
30 days past due	44	96	5	82	8	235	-23	10%
60 days past due	21	37	3	27	4	92	-20	22%
90 days past due	18	28	3	14	2	65	-24	36%
120-150 days past due	29	29	1	23	3	85	-43	51%
More than 180 days past due	574	513	292	282	13	1,674	-1,048	63%
Total past due	**686**	**703**	**304**	**428**	**30**	**2,151**	**-1,158**	**54%**
Total	**4,376**	**4,475**	**454**	**2,127**	**567**	**11,999**		
Provision[1]	-351	-350	-275	-163	-19	-1,158		
Total lending to the general public	**4,025**	**4,125**	**179**	**1,964**	**548**	**10,841**		

[1] Provision for receivables which are more than 180 days past due are assessed individually and total MSEK -1,119 (-1,048). The group provision is MSEK -116 (-110). The difference between the provision recognised above and credit losses as indicated in the income statement is due to exchange rate effects, which are accounted for under Net profit from financial transactions.

When a loan becomes more than 180 days past due the carrying amount is written down to the recoverable amount, which is defined as the estimated future cash flow discounted by the initial effective interest rate for the instrument at the time of impairment. Expected recoveries are assumed to be generated up to 13 years from the date on which the receivable becomes more than 180 days past due. The methods and assumptions used to forecast future cash flows are reviewed regularly to reduce the difference between estimated and actual losses. The senior management uses estimates based on historical data and forecasts for longer periods where there are no own historical data.

Note 4 Capital adequacy analyses

Capital adequacy information in this document refers to information whose disclosure is provided for in Chapter 6, Sections 3-4 of the Regulations and general recommendations (FFFS 2008:25) on the annual accounts of credit institutions and securities companies (investment firms) and which refers to information in the General recommendations on capital adequacy and risk management (FFFS 2014:12) of the Swedish Financial Supervisory Authority. Other information required under FFFS 2014:12 is provided on the Company's website, www.nordaxgroup.com.

Information on the consolidated situation

The top company in the consolidated situation is Nordax Group AB (publ). The following companies are included in the consolidated financial statements for the group of financial companies in accordance with full IFRS and in the group-based financial statements for calculation of capital requirements: Nordax Group AB (publ), Nordax Group Holding AB, Nordax Holding AB, Nordax Bank AB (publ), Nordax Finans AS, PMO Sverige OY, Nordax Nordic AB (publ), Nordax Sverige AB, Nordax Sverige 3 AB (publ), Nordax Sverige 4 AB (publ), Nordax Nordic 2 AB and Nordax Nordic 3 AB (publ).

All amounts in MSEK	Consolidated situation 31 March 2016	31 December 2015
OWN FUNDS		
Common Equity Tier 1 capital	1,734	1,678
Deduction from own funds	-306	-309
Total Common Equity Tier 1 capital	**1,428**	**1,369**
Tier 2 capital	219	217
Net own funds	**1,647**	**1,586**
Risk exposure amount for credit risk	9,132	8,745
Risk exposure amount for market risk	643	624
Risk exposure amount for operational risks[4]	1,172	1,465
Total risk exposure amount	**10,947**	**10,834**
Common Equity Tier 1 capital ratio	13.04%	12.64%
Tier 1 capital ratio	13.04%	12.64%
Total capital ratio	15.04%	14.64%
Capital adequacy ratio (own funds / capital requirement)	1.88	1.83
Total Common Equity Tier 1 capital requirement including buffer requirement	7.73%	7.72%
- of which, capital conservation buffer requirement	2.50%	2.50%
- of which, countercyclical capital buffers	0.73%	0.72%
Common Equity Tier 1 capital available for use as buffer[1]	8.54%	8.14%
Specification own funds		
Common Equity Tier 1 capital:		
- Capital instruments and the related share premium accounts	847	847
-of which share capital	111	111
-of which other contributed capital	736	736
- Retained earnings	886	691
- Independently reviewed interim profits	93	195
- Calculated dividend[2]	-92	-55
Common Equity Tier 1 capital before regulatory adjustments	**1,734**	**1,678**
Regulatory adjustments:		
- Intangible assets	-306	-309
Total regulatory adjustments to Common Equity Tier 1	**-306**	**-309**
Common Equity Tier 1	**1,428**	**1,369**
Tier 2 capital:		
- Tier 2 capital instrument	219	217
Tier 2 capital	**219**	**217**
Total capital	**1,647**	**1,586**
Specification of risk exposure amount[3]		
Institutional exposures	368	365
Covered bonds	42	41
Household exposures	7,961	7,629
Household exposures	710	669
Other items	51	41
Total risk exposure amount for credit risk, Standardised Approach	**9,132**	**8,745**
Exchange rate risk	643	624
Total risk exposure amount for market risk	**643**	**624**
Operative risk according to Standardized Method 2016 and Basic Indicator Approach 2015[4]	1,172	1,465
Total risk exposure amount for operational risks	**1,172**	**1,465**
LEVERAGE RATIO		
Exposure measure for calculating leverage ratio	14,314	13,862
Leverage ratio	**9.97%**	**9.88%**

[1] Common Equity Tier 1 capital ratio 13.04% less the statutory minimum requirement of 4.5% excluding the buffer requirement. A total capital requirement of a further 3.23% of which capital conservation buffer of 2.50% and 0.73% for the countercyclical capital buffers is also applicable.

[2] Calculated dividend consists of proposed dividend amounting to MSEK 55 according to the disposition of profit in the annual report 2016 and MSEK 37 attributable to the current financial year. The Swedish Financial Supervisory Authority has approved Nordax's application to include earnings in the capital base on condition that the responsible auditor has reviewed the surplus, that the surplus has been calculated in accordance with applicable accounting rules, that predicted costs and dividends have been deducted in accordance with Regulation (EU) No 575/2013 and that the calculation has been made in accordance with Regulation (EU)No 241/2014.

[3] The capital requirement is 8% of the risk exposure amount pursuant to Regulation (EU) No 575/2013 (CRR).

[4] During the period the method for calculating operational risk was shifted from basic indicator approach to the standardized method.

Internal capital requirement
As of 31 March 2016 the internal capital assessment for Nordax consolidated situation amounted to 87 MSEK (83). The internal capital requirement is assessed using Nordax internal models for economic capital and is not fully comparable to the estimated capital requirement published by the Swedish Financial Supervisory Authority due to differences in assumptions and methodologies.

Information on liquidity risk pursuant to FFFS 2014:12
The Group defines liquidity risk as the risk of failing to fulfil payment obligations at maturity without a significant increase in the cost of obtaining means of payment. The Group uses asset-backed borrowing in which parts of the Group's asset portfolios are pledged as collateral for the loans. The Group's long-term strategy is to match lending assets with the maturities of liabilities. The strategy is aimed at achieving a diversified funding platform comprising equity, subordinated debt, asset backed securities ("ABS"), bank warehouse funding facilities, deposits from the general public and senior unsecured bonds.

The goal is to use funding sources which:
- Provide a high degree of matching, of currencies and interest period as well as maturities, between assets and liabilities.
- Offer diversification in terms of markets, investors, instruments, maturities, currencies, counterparties and geography.
- Carry a low liquidity risk and offer a high possibility of refinancing at maturity, as evidenced by price stability, regularity of issuance and a broad investor base.
- Provide access to relatively large volumes, to meet the funding requirements for a growing balance sheet.

The Group has an independent function for liquidity risk control. The function reports directly to the Board and CEO.

Liquidity is measured on a daily basis and reported to the Company's management. Liquidity risk is reported to the Board of Directors at each board meeting.

Cash flows expected to result from the liquidation of all assets, liabilities and off-balance sheet items are calculated. Key ratios from the balance sheet (such as the cash ratio, loan-to-deposit ratio, liquidity coverage ratio, net stable funding ratio and deposit usage) are calculated and monitored over time to illustrate the financial structure and the Group's liquidity risk. Liquidity risk is measured monthly for different scenarios and events (such as less favourable advance rates and changed cash flows) and illustrated separately and in combination.

The contingency plan specifies a clear division of responsibilities and contains instructions for how the Group should respond in a liquidity crisis situation. The plan specifies appropriate actions for managing the consequences of different crisis situations and contains definitions of events which trigger and escalate the contingency plan. The contingency plan has been tested and updated.

At 31 March 2016, Nordax had a liquidity coverage ratio, LCR, (EBA definition) of 6.28 (6.76) and a net stable funding ratio, NSFR, of 1.29 (1.27) according to the definition of the Basel Committee, which has not yet been adopted.

Nordax had a liquidity reserve at 31 March 2016 of MSEK 2,444 (2,552). Of these investments, 55 (55) per cent was in Nordic banks, 17 (16) per cent in Swedish covered bonds and 28 (29) per cent in Swedish municipal papers. All investments had credit ratings ranging from AAA to A+ from Standard & Poor's, with an average rating of AA (except 27 MSEK in exposure to Avanza Bank AB). The average maturity was 51 (48) days. All bank holdings are accessible and all securities are repo-able with central banks.

At 31 March 2016 Nordax's sources of funding comprised MSEK 2,785 (2,763) in funding through the asset-backed securities market (securitised), MSEK 500 (453) in senior unsecured bonds, MSEK 3,058 (2,891) in warehouse funding facilities provided by international banks in addition to MSEK 6,118 (5,991) in Deposits from the general public. The figures refer to the nominal amounts.

Note 5 Classification of financial assets and liabilities

GROUP

31 March 2016	Financial instruments carried at fair value through profit or loss		Investments held to maturity	Loans and receivables	Other financial liabilities	Total
	Held for trading	Designated at initial recognition				
Assets						
Lending to credit institutions	-	-	-	1,828	-	1,828
Lending to the general public	-	-	-	11,325	-	11,325
Bonds and other fixed income securities	-	1,097	-	-	-	1,097
Derivatives	2	-	-	-	-	2
Total assets	2	**1,097**	-	**13,153**	-	**14,252**
Liabilities						
Liabilities to credit institutions	-	-	-	-	3,050	3,050
Deposits from the public	-	-	-	-	6,120	6,120
Issued securities	-	-	-	-	3,257	3,257
Subordinated liabilities	-	-	-	-	246	246
Total liabilities	-	-	-	-	**12,673**	**12,673**

GROUP

31 December 2015	Financial instruments carried at fair value through profit or loss		Investments held to maturity	Loans and receivables	Other financial liabilities	Total
	Held for trading	Designated at initial recognition				
Assets						
Lending to credit institutions	-	-	-	1,810	-	1,810
Lending to the general public	-	-	-	10,841	-	10,841
Bonds and other fixed income securities	-	1,157	-	-	-	1,157
Derivatives	3	-	-	-	-	3
Total assets	3	**1,157**	-	**12,651**	-	**13,811**
Liabilities						
Liabilities to credit institutions	-	-	-	-	2,880	2,880
Deposits from the public	-	-	-	-	6,001	6,001
Issued securities	-	-	-	-	3,187	3,187
Subordinated liabilities	-	-	-	-	246	246
Total liabilities	-	-	-	-	**12,314**	**12,314**

Trade receivables, trade payables and prepaid/accrued interest are not included in the classification above, but have been reported as Loans and receivables or Other financial liabilities, as these are not material.

Note 6 Fair values of financial assets and liabilities

GROUP

31 March 2016	Carrying amount	Fair value	Fair value gain (+)/fair value loss (-)
Assets			
Lending to credit institutions[1]	1,828	1,828	-
Lending to the general public[2]	11,325	13,644	2,319
Bonds and other fixed income securities	1,097	1,097	-
Derivatives	2	2	-
Total assets	**14,252**	**16,571**	**2,319**
Liabilities			
Liabilities to credit institutions[1]	3,050	3,050	-
Deposits from the public[1]	6,120	6,120	-
Issued securities	3,257	3,255	-2
Subordinated liabilities[3]	246	252	6
Total liabilities	**12,673**	**12,676**	**3**

GROUP

31 December 2015	Carrying amount	Fair value	Fair value gain (+)/fair value loss (-)
Assets			
Lending to credit institutions[1]	1,810	1,810	-
Lending to the general public[2]	10,841	13,342	2,501
Derivatives	1,157	1,157	-
Bonds and other fixed income securities	3	3	-
Total assets	**13,811**	**16,312**	**2,501**
Liabilities			
Liabilities to credit institutions[1]	2,880	2,880	-
Deposits from the public[1]	6,001	6,001	-
Issued securities	3,187	3,205	18
Subordinated liabilities[3]	246	254	8
Total liabilities	**12,314**	**12,340**	**26**

1 Fair value is deemed to be the same as the carrying amount, as these are of a short-term nature.
2 The measurement includes significant non-observable inputs and belongs to Level 3. The present value of future discounted cash flows are expected to be larger than the amortised cost according to the accounts.
3 Fair value data for issued securities and debenture loans belong to Level 2, as the inputs for measurement are based directly or indirectly on quoted prices.

Calculation of fair value

The fair values of financial instruments which are traded in an active market (such as financial instruments held for trading and available-for-sale financial instruments) are based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices from an exchange, broker, industry group, pricing service or regulatory authority are easily and regularly available, and these prices represent actual and regularly occurring arm's length market transactions. The quoted market price used for the Group's financial assets is the current bid price. These instruments belong to Level 1.

The fair values of financial instruments which are not traded in an active market are determined with the help of valuation techniques. Market data is used as far as possible when such data is available. If all significant inputs required for the fair value measurement of an instrument are observable the instrument belongs to Level 2.

In cases where one or several significant inputs are not based on observable market information the instrument is classified as Level 3.

The table below shows financial instruments carried at fair value based on the classification in the fair value hierarchy. The different levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly in the form of quoted prices or indirectly, i.e. derived from quoted prices (Level 2).
- Inputs for the asset or liability which are not based on observable market data (non-observable inputs) (Level 3)

In 2016, no transfers between levels were made.

GROUP

31 March 2016	Level 1	Level 2	Level 3	Total
Assets				
Bonds and other fixed income securities	1,097	-	-	1,097
Derivatives	-	2	-	2
Total assets	**1,097**	**2**	**-**	**1,099**

GROUP

31 December 2015	Level 1	Level 2	Level 3	Total
Assets				
Bonds and other fixed income securities	1,157	-	-	1,157
Derivatives	-	3	-	3
Total assets	**1,157**	**3**	**-**	**1,160**

Note 7 Operating segments

Segment information is presented based on the chief operating decision-maker's perspective, and the segments are identified based on the internal reporting to the CEO, who is identified as the chief operating decision-maker. Nordax has the following operating segments: Sweden, Norway, Finland, Denmark and Germany, which reflects Nordax's lending portfolio. Profit/loss that cannot be attributed to a segment is allocated using distribution keys according to internal principles that the Management believes provide a fair allocation to the segments. The chief operating decision-maker will primarily apply to the performance concept of operating profit/loss. Impairment test of goodwill is made on a yearly basis in conjunction with the annual report and management's assessment is that it will not be materially impacted when goodwill is reported per segment as of first quarter 2016.

Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	**Jan-Mar**	Apr-Jun	Jul-Sep	Oct-Dec
2015				**2016**			

January-March 2016	Sweden	Norway	Denmark	Finland	Germany	TOTAL
Income statement						
Interest income[1]	105	137	3	62	16	**323**
Interest expenses	-16	-35	-1	-9	-3	**-64**
Total net interest income	**89**	**102**	**2**	**53**	**13**	**259**
Commission income	2	2	-	0	-	**4**
Depreciation and amortisation of tangible and intangible assets	-3	-2	0	-1	0	**-6**
Operating expenses[2]	-22	-20	-1	-10	-3	**-56**
Non-recurring items[3]						**4**
Marketing costs[2]	-10	-17	0	-6	-8	**-41**
Profit before credit losses	**56**	**65**	**1**	**36**	**2**	**164**
Net credit losses	-13	-20	0	-6	-6	**-45**
Operating profit/loss	**43**	**45**	**1**	**30**	**-4**	**119**
Balance sheet						
Lending to the general public	**4,134**	**4,414**	**169**	**2,011**	**597**	**11,325**

Jan-Mar	Apr-Jun	Jul-Sep	**Oct-Dec**	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
2015				**2016**			

October-December 2015	Sweden	Norway	Denmark	Finland	Germany	TOTAL
Income statement						
Interest income[1]	107	132	3	64	14	**321**
Interest expenses	-22	-37	0	-9	-2	**-70**
Total net interest income	**85**	**95**	**3**	**55**	**12**	**251**
Commission income	2	2	-	0	-	**4**
Depreciation and amortisation of tangible and intangible assets	-4	-1	0	-1	0	**-6**
Operating expenses[2]	-36	-37	0	-19	-7	**-98**
Non-recurring items[3]						**0**
Marketing costs[2]	-10	-15	0	-5	-6	**-36**
Profit before credit losses	**37**	**44**	**3**	**32**	**-1**	**115**
Net credit losses	-1	-24	-2	-4	-4	**-35**
Operating profit/loss	**36**	**20**	**1**	**28**	**-5**	**80**
Balance sheet						
Lending to the general public	**4,025**	**4,125**	**179**	**1,964**	**548**	**10,841**

Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
2015				2016			

January-March 2015	Sweden	Norway	Denmark	Finland	Germany	TOTAL
Income statement						
Interest income[1]	105	133	4	57	8	**307**
Interest expenses	-33	-46	-1	-11	-2	**-94**
Total net interest income	**72**	**87**	**3**	**46**	**6**	**213**
Commission income	3	2	0	-	-	**5**
Depreciation and amortisation of tangible and intangible assets	-3	-2	0	-1	0	**-5**
Operating expenses[2]	-27	-24	-1	-6	-4	**-63**
Marketing costs[2]	-5	-12	0	-6	-8	**-31**
Profit before credit losses	**41**	**50**	**2**	**33**	**-7**	**119**
Net credit losses	-18	-16	-2	-7	-2	**-45**
Operating profit/loss	**23**	**34**	**0**	**26**	**-9**	**74**
Balance sheet						
Lending to the general public	**3,888**	**4,140**	**224**	**1,725**	**335**	**10,312**

Jan-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
2015	2016			

January-December 2015	Sweden	Norway	Denmark	Finland	Germany	TOTAL
Income statement						
Interest income[1]	420	542	14	242	42	**1,260**
Interest expenses	-108	-168	-4	-43	-10	**-333**
Total net interest income	**312**	**374**	**10**	**199**	**32**	**927**
Commission income	8	7	-	1	-	**16**
Depreciation and amortisation of tangible and intangible assets	-11	-5	0	-2	-2	**-21**
Operating expenses[2]	-132	-113	-6	-43	-21	**-315**
Non-recurring items[3]						**-75**
Marketing costs[2]	-27	-49	0	-22	-27	**-125**
Profit before credit losses	**150**	**214**	**4**	**133**	**-18**	**407**
Net credit losses	-40	-70	-5	-27	-15	**-157**
Operating profit/loss	**110**	**144**	**-1**	**106**	**-33**	**250**
Balance sheet						
Lending to the general public	**4,025**	**4,125**	**179**	**1,964**	**548**	**10,841**

1 Interest income refers to income from external customers.
2 Operating expenses consist of net profit/loss from financial transactions, other operating income, general administrative expenses and the portion of other operating expenses that does not relate to marketing (which are reported separately).
3 Non-recurring items refer to expenses arising in conjunction with the publication of the prospectus and the listing of the Nordax share on the Nasdaq Stockholm exchange.

Note 8 Non-recurring items

Non-recurring costs of MSEK -4 (75) refer to events and transactions which have an impact on profit of such magnitude that it is prudent to highlight these when the financial performance of the period is compared with earlier periods. Non-recurring items 2015 refered to expenses arised in conjunction with the publication of the prospectus and the listing of the Nordax share on the Nasdaq Stockholm exchange. As the provision was higher than the actual outcome 4 MSEK of the provision was dissolved during the quarter.

Note 9 Pledged assets

GROUP All amounts in MSEK	**31 MARCH** 2016	**31 DECEMBER** 2015
Pledged assets for own liabilities		
Lending to the general public	9,399	9,190
Lending to credit institutions	605	597
Total	**10,003**	**9,787**

Note 10 Transactions with related parties

The Group has not had any transactions with related parties.

Note 11 Events after closing of the reporting period

No events with significant impact on the information in this report have occurred after the end of the reporting period.

Parent Company income statement

THE PARENT COMPANY All amounts in MSEK	**JAN-MAR 2016**	OCT-DEC 2015	JAN-MAR 2015	JAN-DEC 2015
Net income	1	1	-	1
Operating expenses				
Personnel expenses	-1	0	-	-2
Other external expenses	2	-2	-	-77
Total operating expenses	**1**	**-2**	**-**	**-79**
Operating profit	**2**	**-2**	**-**	**-78**
Profit/loss from financial investments				
Group contributions	0	141	-	141
Interest and similar expenses	0	0	-	0
Profit/loss from financial investments	**0**	**141**	**-**	**141**
Profit/loss after financial items	**2**	**139**	**-**	**63**
Tax on profit for the period	-	-	-	-
NET PROFIT FOR THE PERIOD/COMPREHENSIVE INCOME	**2**	**139**	**-**	**63**

Parent Company statement of financial position

THE PARENT COMPANY All amounts in MSEK	**31 MARCH** 2016	**31 DECEMBER** 2015
ASSETS		
Financial assets		
Shares in Group companies	4,970	4,970
Total financial assets	**4,970**	**4,970**
Total non-current assets	**4,970**	**4,970**
Current receivables		
Receivables from Group companies	153	141
Prepaid expenses and accured income	0	0
Total current receivables	**153**	**141**
Cash and bank balances	**83**	**83**
Total current assets	**236**	**224**
TOTAL ASSETS	**5,206**	**5,194**
EQUITY, PROVISIONS AND LIABILITIES		
Equity		
Share capital	111	111
Share premium reserve	4,859	4,859
Retained earnings, incl. net profit for the year	71	69
Total equity	**5,041**	**5,039**
Liabilities		
Current liabilities		
Accrued expenses and deferred income	0	0
Other liabilities	0	0
Liabilities to Group companies	165	155
Total current liabilities	**165**	**155**
Total liabilities	**165**	**155**
TOTAL EQUITY, PROVISIONS AND LIABILITIES	**5,206**	**5,194**
Memorandum items		
Pledged assets for own liabilities	None	None
Contingent liabilities	None	None

Statement of changes in equity, parent company

THE PARENT COMPANY	Restricted equity	Non-restricted equity		Total
All amounts in MSEK	Share capital	Other contributed capital	Retained earnings	
OPENING BALANCE, 2 MARCH 2015	**1**	-	-	**1**
Comprehensive income				
Net profit for the period			-	-
Total comprehensive income			**-**	**-**
CLOSING BALANCE, 31 MARCH 2015	**1**	**-**	**-**	**1**
OPENING BALANCE, 2 MARCH 2015	**1**	-	-	**1**
Comprehensive income				
Net profit for the year			63	63
Total comprehensive income			**63**	**63**
Transactions with shareholders				
Group reorganisation			6	6
Results from liquidation of Nelson Luxco Sarl	110	4,859	0	4,969
Total transactions with shareholders	**110**	**4,859**	**6**	**4,975**
CLOSING BALANCE, 31 DECEMBER 2015	**111**	**4,859**	**69**	**5,039**
OPENING BALANCE, 1 JANUARY 2016	**111**	4,859	69	**5,039**
Comprehensive income				
Net profit for the period			2	2
Total comprehensive income			**2**	**2**
CLOSING BALANCE, 31 MARCH 2016	**111**	**4,859**	**71**	**5,041**

The share capital consists of 110,945,598 ordinary shares of the same share class and with a quota value of SEK 1. All shares have equal voting rights.

Definitions

Adjusted operating income
Total operating income excluding foreign exchange gains/losses. Adjusted operating income is a non-IFRS-EU financial measure.

Adjusted cost to income ratio (C/I ratio)
Adjusted operating expenses excluding marketing costs as a percentage of adjusted operating income. Adjusted cost to income ratio is presented on a 12-month rolling basis.

Adjusted operating expenses
Total operating expenses excluding amortization of acquired intangible assets and non-recurring items. Adjusted operating expenses are a non-IFRS-EU financial measure.

Adjusted operating profit
Operating profit excluding amortization of acquired intangible assets, foreign exchange gains/losses and non-recurring items. Adjusted operating profit is a non-IFRS-EU financial measure.

Adjusted profit
Profit excluding amortization of acquired intangible assets, foreign exchange gains/losses and non-recurring items as well as the tax effect thereof. Adjusted profit is a non-IFRS-EU financial measure.

Adjusted return on average net loans
Adjusted operating profit as a percentage of average loan portfolio. Return on average net loans is presented on a 12-month rolling basis.

Adjusted return on tangible equity
Adjusted net profit in relation to average tangible equity on a 12-month rolling basis.

Average loan portfolio
The average of lending to the general public at the beginning of the period and lending to the general public at the end of the period.

Common Equity Tier 1 capital
Shareholders' equity excluding proposed dividend, deferred tax assets, intangible assets and certain other regulatory adjustments defined in Regulation (EU) No 575/2013 (CRR).

Common Equity Tier 1 capital ratio
Common Equity Tier 1 capital as a percentage of risk exposure amount.

Cost of risk
Net credit losses as a percentage of average loan portfolio.

Credit loss level
Net credit losses as a percentage of the average lending to the general public.

Earnings per share
Net profit attributable to shareholders in relation to the average number of shares.
Leverage ratio
Tier 1 capital as a percentage of total assets including off balance sheet items with conversion factors according to the standardized approach.

Liquidity Coverage Ratio (LCR)
High-quality liquid assets in relation to the estimated net cash outflows over the next 30 calendar days, as defined by Swedish regulations (the SFSA's code FFFS 2012:6).

Liquidity reserve
A separate reserve of high quality liquid assets that can be used to secure the company's short-term ability to pay for loss or reduced access to commonly available sources of funding.

Non-IFRS-EU-financial measures
Measures, which are unaudited, and used by management to monitor the underlying performance of Nordax's business and operations.

Own funds
The sum of Tier 1 and Tier 2 capital.

Return on equity
Net profit attributable to shareholders in relation to average shareholders' equity.

Risk exposure amount
Total assets and off balance sheet items, weighted in accordance with capital adequacy regulation for credit and market risks. The operational risks are measured and added as risk exposure amount. Risk exposure amounts are only defined for the consolidated situation.

Tangible equity
Shareholders' equity less intangible assets.

Tier 1 capital ratio
Tier 1 capital as a percentage of risk exposure amount.

Tier 1 capital
Common Equity Tier 1 capital plus qualifying forms of subordinated loans.

Tier 2 capital
Mainly subordinated loans not qualifying as Tier 1 capital contribution.

Total capital ratio
Total own funds as a percentage of risk exposure amount.

Bridge statutory to adjusted accounts

BRIDGE STATUTORY TO ADJUSTED ACCOUNTS All amounts in MSEK	JAN-MAR 2016	OCT-DEC 2015	JAN-MAR 2015	JAN-DEC 2015
Total operating income statutory accounts	**280**	**228**	**218**	**888**
Foreign exchange gain/loss	-19	26	1	55
Adjusted total operating income	**261**	**254**	**219**	**943**
Total operating expenses statutory accounts	**116**	**113**	**99**	**481**
Non-recurring items	4	0	-2	-74
Amortization of acquired intangible assets	-3	-3	-3	-13
Adjusted total operating expenses	**117**	**110**	**94**	**394**
Marketing expenses	-41	-36	-31	-125
Adjusted total operating expenses excluding marketing costs	**76**	**74**	**63**	**269**
Net credit losses (as reported)	**-45**	**-35**	**-45**	**-157**
Operating profit statutory accounts	**119**	**80**	**74**	**250**
Non-recurring items	-4	0	2	74
Foreign exchange gain/loss	-19	26	1	55
Amortization of acquired intangible assets	3	3	3	13
Adjusted operating profit	**99**	**109**	**80**	**392**
Tangible equity	**1,510**	**1,413**	**1,282**	**1,413**
Shareholders' equity	1,826	1,733	1,596	1,733
Intangible assets	-316	-320	-314	-320
Adjusted return on tangible equity (last 12 months)	**22.9%**	**23.2%**	**25.7%**	**23.2%**